



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

August 28, 1997

The Honorable Pete Wilson
Governor of California
State Capitol
Sacramento, California 95814

Dear Governor Wilson:

Thank you for your thoughtful letter concerning the on-going implementation of the Central Valley Project Improvement Act (CVPIA) and the Bay-Delta Accord. The President has asked me to respond directly to you.

Rest assured, this Administration places great value on the Bay-Delta Accord. As you know, from President Clinton's earliest days in office, this issue has been a top priority for us, and we have worked successfully to end the impasse that predated our involvement.

We seek to implement this crucial compact in a manner consistent with the overwhelming vote of the California electorate when they approved Proposition 204 and provided over \$500 million to restore the ecosystems of the Bay, the Delta and the Sacramento and San Joaquin Rivers. In the 1998 budget, the President asked Congress to appropriate \$143.3 million this year, the full amount authorized in the California Bay-Delta Environmental Enhancement and Water Security Act, and notified the Congress that the Administration planned to request the same amounts for the next two years for a total of \$430 million so that our Federal commitment will closely approximate that of the California public.

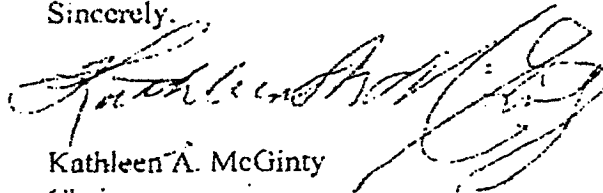
The Accord is a valuable agreement in the effort to help solve the complex water needs of the California economy and the equally complex needs of the Bay-Delta ecosystem. In the spirit of the Accord, wherein the State and the Federal governments pledged to work together to solve the challenges facing environmental and urban/agriculture water supplies, the Department of the Interior has established a collaborative problem-solving process for the CVPIA which includes every interested group (environmental, agricultural, and urban water users) and all relevant Federal and State agencies. This process is designed to provide all stakeholders an opportunity to be heard, and to develop a common ground upon which to address the many complex and controversial issues of the CVPIA.

Section 3406 (b)(2) of the CVPIA directs that 800,000 acre-feet of the Central Valley Project yield be made available for fish, wildlife and habitat restoration, and for other purposes. Three working groups have been formed to provide a solid scientific base for the decision on how to allocate the needed (b)(2) water in any given water year in order to meet the requirements of the CVPIA. No final decision date has been set but certainly no final decision can be made for at least several more weeks. Since the work of these broad based groups has not come to

resolution, it is premature to come to a conclusion regarding potential effects on the Accord's implementation.

Your letter indicates that you are aware that negotiations are now underway to extend the Accord and that the State, Federal government, and stakeholders are working hard to complete phase II of the Bay-Delta program by next year. The President and his Administration are well aware that both the State of California and the American people acting through their Federal government stand upon a very important threshold. If we act in unison, we will be able to restore the fishery and riparian habitats in one of the world's greatest riverine and estuary systems while providing for the water requirements of a growing California economy and population. This is the President's goal; significant progress has been made because of his leadership to date and, at the President's direction, the Administration will continue to exert every effort to achieve it. I hope we can count on the State of California to continue to do the same.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Kathleen A. McGinty', written in a cursive style.

Kathleen A. McGinty
Chair